

THE PRESIDENT'S INTELLIGENCE CHECKLIST

6 MAR. 1962

~~TOP SECRET~~

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1. Souvanna and Souphannouvong have agreed on a cabinet list

Souvanna, as premier, would hold the controversial posts of Defense and Interior as well as Social Action; Souphannouvong as deputy premier would hold the portfolios of Sports, Youth, and Information. Phoumi would also be a vice-premier and have the post of Finance. They agreed that Phoumi must participate in the government, but that prior to presentation of the proposal to him the US must approve it. Ambassador Brown's first reaction to Souphannouvong's holding the Ministry of Information is that it is wholly unacceptable. He adds that most of the important ministries with direct contact with the people (Information, Sports, and Youth, Social Action, Prevoiance Sociale) were in the hands of the Pathet Lao or Xieng Khouang personalities, and that three out of four Vientiane neutrals are total nonentities. Phoumi is meeting Admiral Felt in Bangkok today and plans to return to Vientiane tomorrow.

2. Khrushchev's agriculture program

His marathon address yesterday--seven hours--was limited to agriculture. Pointing to past failures he proposed an elaborate structure of area and national committees, calculated to tighten management controls and procedures. Cultivated acreage is to be increased by 55,000,000 acres by planting about half the land presently held in grass or fallow under crop rotation procedures. He referred to the need for investment in fertilizers and machinery, which we believe essential if the short-run gains from planting grasslands do not have long-term adverse effects. He also emphasized the lack of adequate incentives for the individual. The party central committee today began discussion of his report.

3. The Syrian military are restless with the government

They have been increasingly dissatisfied with its compromises and indecision.

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Although a military take-over is always possible, key army leaders are more likely to exert behind-the-scenes pressure for a change in the Dawilibi cabinet.

4. Betancourt loses control of the Venezuelan Congress

Loss of the leftist faction from his Democratic Action appears to have cost him his majority in the lower house. An opposition alliance, which functioned against him in the congressional election on 2 March, could have a majority of 10 or 12 that might try to block both his reform programs and the ratification of US development loans.

5. East Germany

a. The USSR yesterday granted East Germany a credit of \$325,000,000 and agreed to increase trade between the two countries by 12 percent in 1962. This was a timely gesture of support for Ulbricht on the eve of East-West negotiations, as well as a needed boost for its economy.

b. Ulbricht has proposed talks between East and West Germany at the disarmament conference.

6. Congo

a. Katangan and UN troops clashed yesterday near Kamina, in central Katanga. Tshombé charges that 1,200 UN troops attacked Kamina, the UN states that a routine patrol of ten men were fired upon and that a reconnaissance plane was hit; we believe the UN version.

[redacted] mounting tension and hostility towards the UN among the Katanganese and estimate that "Round Three" could start at any time.

b. Tshombé, seeking guarantees for his safety, has added Kasavubu and the parliament to his list of requested guarantors. He still vows that he intends to meet Adoula in Leopoldville on 10 March "if arrangements can be made." The UN representatives believe he is sincere and are trying to obtain acceptable assurances.

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7. [redacted] Iran [redacted]

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[redacted] the Shah is considering abdicating.

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NOTES

- A. The USSR scheduled two flights in the southern corridor for this morning, one out and one in. The latter was to leave the corridor about half way to Berlin, at 0843 EST. No Western flights were scheduled during this period.
- B. The return of former president Quadros to Brazil this week is causing apprehension in political circles. Regaining popularity since his resignation last August, he is expected to re-enter politics; but we have no knowledge of his exact plans.

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E. A Puerto Rican airline C-46, en route from Haiti to San Juan, was forced to land at the Dominican Republic international airport by two P-51s, apparently because its flight plan had not been forwarded. Its cargo was meat.

F. The Communist-backed Popular Movement for the Liberation of Angola has scored a significant success by winning over to its side the Chief of Staff of Holden Roberto's Angolan People's Union, Marcos Cassanga. Roberto's hold over the rebel movement in the North will not be weakened, but he will be hampered in his efforts to expand southward where Cassanga is strongly entrenched.

THE DIRECTOR OF CENTRAL INTELLIGENCE